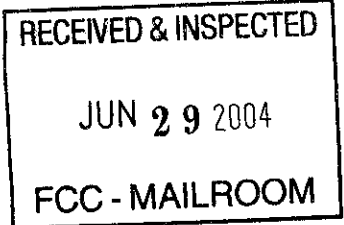


Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20544



In the Matter of)
)
The Pay Telephone Reclassification and) CC Docket No. 96-128
Compensation Provisions of the)
Telecommunications Act of 1996)

MOTION FOR EXTENSION OF TIME

US LEC Corp., on behalf of itself and its operating subsidiaries¹ (collectively, "US LEC"), pursuant to Section 1.46 of the Commission's rules, 47 C.F.R. § 1.46, hereby requests an extension of time to file a Systems Audit Report as required by Section 64.1320(b) of the Commission's rules, 47 C.F.R. § 64.1320(b) and the Report and Order released in the *Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996*, FCC 03-235, CC Docket No. 96-128 (rel. October 3, 2003) ("Order"). US LEC asks for a 60-day extension, until September 1, 2004, of the July 1, 2004 reporting deadline.²

US LEC operates in multiple states as a local exchange carrier and also as an interexchange carrier, and, therefore, is a Completing Carrier within the meaning of Section 64.1310 of the Commission's rules, 47 C.F.R. § 64.1300(a) and is required to complete an audit of its call tracking system under Section 64.1320 of the Commission's rules, 47 C.F.R. § 64.1320 and to file an audit report by July 1, 2004 ("System Audit Report"). US LEC has completed implementation of the call tracking system required by

¹ The subsidiaries are: US LEC Communications Inc.; US LEC of Alabama, Inc.; US LEC of Florida Inc.; US LEC of Georgia Inc.; US LEC of Maryland Inc.; US LEC of North Carolina Inc.; US LEC of Pennsylvania Inc.; US LEC of South Carolina Inc.; US LEC of Tennessee Inc.; and, US LEC of Virginia LLC.

² The Office of Management and Budget approved the Commission's Order on May 5, 2000, which set the July 1, 2004 reporting deadline. See OMB No. 3060-1046 and the Order, and the Public Notice dated May 11, 2004, DA 04-1309, *New Payphone Compensation Rules Will Go Into Effect July 1 2004*.

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Section 64.1310(a) of the Commission's rules, 47 C.F.R. § 64.1310(a). Further, US LEC has entered into a contract with National Payphone Clearinghouse ("NPC") to calculate and distribute correct payment amounts to the Payphone Service Providers ("PSP") based on the call tracking data provided by US LEC to NPC.

US LEC also is working diligently to have an audit conducted of its call tracking systems with an outside auditor. US LEC understands that a System Audit Report has been issued to NPC, and US LEC intends to file a copy of the NPC System Audit Report along with the System Audit Report prepared on US LEC's call tracking system. Nonetheless, the necessary documentation and testing, analyzing the results and preparing a final report by our outside auditors of our call tracking system may extend beyond the July 1, 2004. Consequently, US LEC seeks a 60-day extension to permit the completion of the audit and the issuance of this System Audit Report that must be filed with the Commission.

To the extent necessary, US LEC requests a waiver of the late filing penalty set out in the *Order*.³ The call tracking system is in place. US LEC has been, and will continue to send, call data to NPC to calculate and distribute the compensation owed to the PCPs. Section 64.1320(a) of the Commission rules, 47 C.F.R. § 64.1320(a), states that "as a precondition to tendering payment pursuant to section 64.1310(a), all Completing carriers must undergo a system audit of the section 64.1310(a)(1) tracking system." The effective date of the revised rules is July 1, 2004. US LEC understands that the new rules apply to calls completed on or after July 1, 2004. Consequently, the first payment to be tendered to the PSPs under these rules is October 1, 2004. US LEC

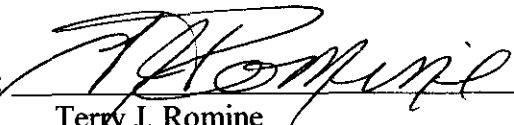
³ See 47 C.F.R. § 1.80(b)(4)(Note) (base penalty for failure to file required forms or information with the Commission is \$3000.)

will have its System Audit Report completed and filed prior to such date. Thus, the Commission should not impose a penalty upon US LEC.

US LEC has made a good faith effort to meet the July 1, 2004 deadline, but is unable to have the audit completed prior to the July 1, 2004 date. US LEC, therefore, seeks a 60-day extension of time to provide sufficient time to complete the audit process and for preparation and submission of the System Audit Report.

Respectfully submitted,

US LEC CORP.

By: 

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